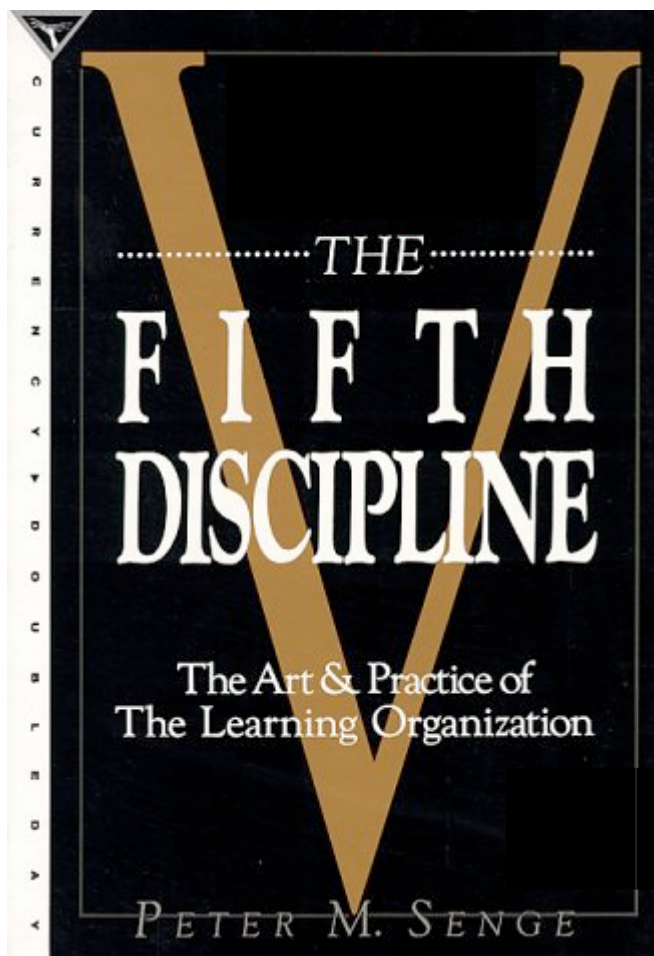


# THE FIFTH DISCIPLINE

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THE ART AND PRACTICE OF A LEARNING  
ORGANIZATION

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## THE AUTHOR

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Peter Senge was born 1947. After completing his engineering degree from Stanford and a masters degree in social systems modelling at MIT (Massachusetts Institute of Technology), he took a PhD in Management. He is nowadays a senior lecturer at the Massachusetts Institute of Technology and a founding chair member of the Society for Organizational Learning (SoL).

The Fifth Discipline was the book that made him famous and that made people talk about the concept of the “learning organizations”. The Journal of Business Strategy, named Senge a ‘Strategist of the Century’; one of 24 men and women who have ‘had the greatest impact on the way we conduct business today’. Additionally, in 1997, Harvard Business Review identified the book as one of the most influential management books of the past 75 years.

Senge has introduced thousands of managers at Ford, Procter & Gamble, AT&T, Royal Dutch/Shell, and at other major corporations to the disciplines of the learning organization through the seminars offered by Innovation Associates.

The Fifth Discipline is the result of many years research and intervention of hundreds of people. The main inspiration was the analysis of people’s inability to manage complex systems and the focus on decentralizing the role of leadership in organizations so as to enhance the capacity of all people to work efficiently towards common goals.

Apart from The Fifth Discipline, Peter Senge has also written other management books and co edited other authors work, which relate to the five disciplines and learning organizations. The other books that he has written are: The Fifth Discipline Fieldbook: Strategies and Tools for Building a Learning Organization (1994); The Dance of Change: The Challenges to Sustaining Momentum in Learning Organizations (1999) and Schools That Learn (2000).

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## INTRODUCTION

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The purpose of the Fifth Discipline is to describe how to manage the success and development of a company and how to create an organization which excels.

The author Peter Senge starts with the striking fact that in less than 15 years, one third of the fortune 500 companies have disappeared, and the average lifetime for the largest enterprises is less than 40 years. So how can companies that have excelled and reached the top just sky dive, and on the contrary, why do other companies stay on the top?

The answer to the dilemma is that the companies that survive have somewhat succeeded in creating a “learning organization”.

The definition of a learning organization is *“an organization where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together”*.

In order to beat its competitors, a company has to learn faster than its competitors at all levels. There are many famous stories about bad learners, who have seen their entire business vanishing. A business has to be ready to adapt the whole business activity as well as traditional operations like R&D, manufacturing and marketing in order to stay alive.

In order to create a learning organization, Senge proposes a framework of five disciplines: Systems Thinking, Mental Models, Team Learning, Personal Mastery and Shared Vision. To practice a discipline, one has to be a lifelong learner. You never get fully learned and you constantly have to practice.

The book is approaching the problem on many levels, such as strategy, operations management, psychology and philosophy. The analysing approach is based on theoretical and practical science with a philosophical touch.

Senge states that it is important that the five disciplines develop as an ensemble, but he also admits that it is challenging to integrate several things at the same time. Consequently, Systems thinking is deliberately referred to as the fifth discipline, because it is the discipline that integrates all the other disciplines and the “cornerstone that underlies all disciplines”. Systems thinking is about understanding how a system works as a whole, because without a systemic orientation, there is no motivation to look at how the disciplines interrelate.

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## DESCRIPTION OF THE FIVE DISCIPLINES

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### SHARED VISION

Shared vision tackles the common problem of putting the company’s vision into words, creating a shared picture of the vision and making the employees adopt it as their own personal vision. The creative difference between reality and the vision is a way of seeing progress and an objective that serves as a motivator for a lot of people. Senge makes the distinction between a genuine shared vision and the familiar “vision statement”.

Senge also explains how a vision should be successfully implemented; through communication and invitation to confirm commitment to the vision or through criticism. He also states that the vision should come from all levels in the organization and not be applied “top down”. The vision is also seen as a non-static position and it is the purpose that it develops over time. Senge clearly states the difficulties in the organization of setting the vision, and the challenge of capturing real commitment towards the vision among the employees.

## SYSTEMS THINKING

*“A cloud masses, the sky darkens, leaves twist upward, and we all know that it will rain”.*

Like understanding the process that results in a rain, systems thinking is about observing a whole system, instead of focusing on complex individual issues. The idea is that there are no clear problems that stay in a limited area or time. We have to understand the correlation between actions and consequences, and that they can occur in different time spans. One have to be curious about understanding relations between companies (e.g. company – supplier) and interactions between different department in an organization. The error that we usually do is to focus on individual actions and by consequence we loose the sense of seeing the “big picture”.

## MENTAL MODELS

Mental models describes the concept of not only interpreting reality, but also the attempt to visualize companies by trying to put a “face” on the entity. What Senge is aiming at is in other words to identify the values of the companies and the perception of what the business is all about . We have to understand who we are in order to see where we like to go and to develop. The new concept an the original approach lies in that the company has to be flexible and willing to accept changing to a new mental model and face of the company. It is thus not to be seen as a static position. Moreover, as the most successful companies will be those who can learn and adapt to a new mental model faster than its competitors. Senge describes the importance of scenario and hypothetical future mental models.

The evidence of Mental Models is the success that Royal Dutch/Shell experienced when they managed the dramatic changes in 1970's and 1980's. The company says that their success came from sharing mental about the company, the competitors and their markets, which resulted in the more common concept of scenario modelling. Other applications of mental models is to be able to anticipate a change in business activity and thus also change the mental model of the company among all employees (i.e. not to be stuck on the old track).

## TEAM LEARNING

The importance of team learning is that it is crucial to have good team dynamics, as the intelligence of a team can exceed the sum of its members. On the contrary, when organizations have dysfunctional teams, the collective IQ can be lower than that of the individual.

Team learning is the discipline by which personal mastery and shared vision are brought together. The discipline of team learning starts with a dialogue. Establishing actual communication in groups requires that members define each other as colleagues, not enemies, and that each person dares to be vulnerable and to admit to ignorance, otherwise no learning can take place.

## PERSONAL MASTERY

*"Personal mastery is the discipline of continually clarifying and deepening our personal vision, of focusing our energies, of developing patience and of seeing reality objectively".*

Personal mastery is when an individual has a clear vision of a goal, combined with an accurate perception of reality. The gap between the vision and the reality sets up a "creative tension" that energizes the individual. In practising personal mastery, the individual acquires the necessary capacities and creates whatever methods and rules are necessary to realize the vision.

Basic to acquiring personal mastery is a dedication to the truth: "Seeing and telling the truth is a fundamental component of personal mastery, and of the related discipline of shared vision. Because creative tension depends on a clear understanding of current reality, it drains away as soon as people lie to themselves or each other."

The great enemy of personal mastery, is the belief in one's powerlessness and lack of self-worth. Senge says that the culture indoctrinates most people to believe either that they lack the capacity to get what they want, or that they are unworthy to achieve their goals. These beliefs are very difficult to remove. They may create a vicious circle in which we fail to move forward because we believe we are powerless, and we reinforce our feelings of powerlessness because we have failed to move forward.

A key element in achieving personal mastery, Senge writes, is to train and utilize the powers of the subconscious. Our subconscious mind can handle far more complex problems and more quickly than what our consciousness can.

These points about personal mastery have obvious applications to our work and personal life. Our vision is a life in harmony, but our reality is filled with stress and problems. The belief in our own powerlessness or lack of worth holds us back from realizing our vision, and may lock us in an all-too familiar loop of defeat. By training the subconscious, we can overcome the obstacles.

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## ANALYSIS

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The fact that a company that learn faster than its competitors have a clear competitive advantage is an easy fact to accept. It is also supported by many other subjects. The concept can also be found in operations management where companies that have a fast manufacturing process and a strong anticipation of customer demand have a strong competitive advantage and a very powerful strategy based on speed.

The five disciplines can also be seen from a perspective of “change management”, in the context that a company that masters the five disciplines is more flexible towards changes.

With the experience from a governmental organization, the importance and the difficulty of creating a shared vision can be confirmed. It doesn't seem to be rare, not knowing the vision of one's company. Maybe its specific for governmental organizations to miss a survival spirit and merely focus on reacting to external consequences rather than setting a vision of survival. It is demotivating for most employees not to have a vision of the future and objectives related to a vision.

The most important lesson with creating a shared vision is for the managers to be aware about how hard it is to establish a shared vision and that it isn't enough to create a vision statement and believe that the employees will follow. It is also necessary to try to get the whole organization in the same direction by focusing on the same vision. Another “easy” lesson to adopt and implement is that at least the managers should clearly communicate and illustrate the vision and repeat it to the employees. The importance of a shared vision is the core of a company, and I also think that the most successful companies who have succeeded in creating common goals, values and missions.

Systems thinking is one of the most interesting theories. It can also be found in operations management, where a system has to looked at as a whole in order to optimise the total process. It is clear that we have to understand the whole system that has an impact on our business, and include processes in our analysis that sometimes lie outside our activity.

However, system thinking could sometimes be hard to apply, as it is not obvious and clear to how to define a system; where it begins and where it ends, and sometime there are random events that cannot be predicted or illustrated in a system. There is also a risk of exaggerated analysing and finding individual components of the system, so that we end up with a time-consuming analysis. However, what Senge most likely is aiming at is to keep the analysis fairly simple, but with a curiosity of discovering the impact of the system in which we operate.

The Fifth Discipline also has an important approach on team learning. We all know that learning is an important process at most companies, and most employees have an intensive training schedule at least in the beginning of their profession. The guest speaker Franck Le Valois from ACT Formation underlined the importance of detecting the need for learning at work through a complementary education. He also explained how a company should acquire the critical competence and finally how to set the objectives with an education.

The fifth discipline together with Le Valois statements, shows a picture of education that is on one side depending on the individual competencies of different employees, and on the other side the ability of the employees to work in teams. It is important to analyse education from an individualistic perspective, as many functions in a company have different responsibilities and they all have different responsibilities and tasks.

What the Fifth Discipline describes in another level, where the employees have to be able to interact and learn together. They have to be able to work together and maximize the use their resources by collaboration. This is something that not only needs to be supported by the organization, but also be practised. And, after all, an organization is a collective sum of its members, and the education has to grow in a collective perspective.

“Team player competences” are very sought after nowadays, and almost everybody claims to be able to work successfully in teams. From my own experience, I certainly agree that team work has to be practised and stimulated in companies. There are large benefits from the synergies of a dynamic team and a great source of motivation for the employees.

Personal Mastery is the discipline that is the most difficult to accept. The idea is clear to understand: that people with a personal vision and ambition about their careers, are the most valuable individuals as they show a higher level of commitment and contribution. But just by identifying this discipline doesn't solve any problems. It is almost impossible to implement. For most people, as Senge also stated; they don't know their personal vision, or they focus on material things rather than a state of mind. Additionally, like most companies seem to have discovered after a certain time at work and at a certain age, the excitement disappears. It is completely understandable that they have other personal objectives in life like their family and friends. The problem not only lies on the company, but on the individual. Ideally, the individual should be actively interested and concerned about his development within the company or progress elsewhere, but unfortunately, people get comfortable at work and don't care about such things in general.

The thought that evokes, is the impact of the HR department and by an early selection put a large importance to the personality of the employees. It is hard to change people, so why don't make this a criteria of equal importance as the previous experience or education of a candidate.

Generally, the book is very interesting but sometimes a bit hard to read. There are a lot of theories, practical examples and sometimes a technical approach of disclosing how to analyse systems by creating feed-back loops and other techniques. It certainly isn't a casual book, but rather a piece of work that has to be thought through while reading.

One of the book's strengths is the sometimes spiritual and philosophical approach, which facilitates the creation of a sense for the five disciplines. It is also interesting that Senge is using an approach on many levels; he hasn't chosen one path, but is rather exploring the topic from different point of views. The book also evokes the curiosity of discovering companies that have introduced the "learning organization", as the biggest challenge is to implement all the ideas and change the way people think. The explanations to the two disciplines Systems thinking and Shared vision the most interesting and probably also the most important disciplines to a company.

The book certainly gives an interesting perspective to leadership, as it targets the main organizational difficulties and indicates in which direction we should go to find a solution.



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